

The White House wants to make a "fundamental change"...in the way you do business. It has just kicked off a new six-year program...called "Reform '88." Goal is to bring "businesslike" systems to the federal government.

The entire effort is to be run out of OMB...with the new Deputy Director, Joe Wright, as the point man. He is 44 years old, has held several high-level positions in government and industry...was recently President of Citicorp Retail Services, Inc., before being appointed Deputy Secretary of Commerce by President Reagan. Moved to OMB last spring.

The "Reform '88" effort is oriented toward better use of computers... but will address other matters as well. Here are some key aspects of the problem as Wright sees them:

1. 325 separate agency financial/accounting systems that are...
  - Basically incompatible
  - Not online to OMB or Treasury or usually even within an agency
  - Only 60% approved by GAO
  - Separate from operational data, impeding results analysis
  - Without automated audit capabilities
  - Expensive to operate
2. At least 350 different payroll systems that share many of the same deficiencies...including not being online to OPM. In addition, information systems in many agencies are "far behind the state of the art."
3. 100 million checks a year are issued...based on "hard copy" listings. Treasury central accounts receives 3,000 pounds a month of adding machine tapes, forms, etc. which must be manually input into the central system. Of 1200 monthly revenue and expense reports submitted to the Treasury, only 20, from Defense, are on magnetic tape. The rest are submitted in hard copy, require manual inputs.
4. American Management Association recently reported that "the ratio of personnel specialists in government is three times that in the private sector because of antiquated systems." He wants to do something about that.
5. In addition...the program will pick up and "aggressively" pursue many other efforts that have received attention in the past...such as debt collection, travel management, internal controls, and the review of periodicals, pamphlets and audiovisual products.

Here's how the administration is going about...attacking the problem under "Reform '88"...

- A new Cabinet Council on Management and Administration has been established. It will consist of the secretaries of Treasury, Defense, Commerce, HHS, and Transportation, as well as directors of OMB, GSA, and OPM. Chairman will be Ed Meese, Counsellor to the President. Lots of top-level talent.

- A Presidential "Task Force on Management Reform" has also been set up. Responsible for pushing the job forward...on a long-term basis. It will be comprised of 33 "senior federal managers," both appointed and career, from 13 agencies detailed to OMB expressly for this job. They will work closely with the management division of OMB as well as agency managers to develop model systems.

*Tom C. decided against this* → The following items have been specifically targeted by Reform '88:

- a. Set up an administrative online communications system linking the White House and cabinet departments.
- b. "Review and reduce" central agency regulations.
- c. Implement its overall cost saving projects to reduce the budget deficit in 1983-85 and improve controls. There is \$20 billion in management savings already worked into the latest Congressional budget resolution...so lots of work needs to be done.

You may well be involved in this effort...because the intent is to reach far down into agencies and make substantial systems changes. Here is the schedule that has been developed for the next six months:

By October 1982

OMB to develop plans together with agencies...for White House approval.  
Online communication system between White House and departments.

By December 1982

Reduce OMB regulations. Particularly in management areas.  
Review and recommend changes in jobs of departmental Assistant Secretaries for Management.  
Propose options for longer-term management system changes.

By March 1983

Reduce regulations of GSA, OPM, Treasury, federal procurement.  
Begin longer-term implementation of new management system.

This effort...could be important to you. Has a lot of steam behind it.  
You may want to get organized...so you can respond. There will be plenty of movement during the next few months...new ideas will be welcome. Perhaps you can pick the brains of specialists in accounting, budget systems, computer programming, procurement, personnel, general administration...be ready.

In discussing the present situation...Mr. Wright mentioned four outfits that were a little ahead of others. One is Defense, which is currently inputting expense tapes to Treasury. The others are NASA, Forest Service, and National Atmospheric and Oceanic Administration, where agency heads "know what's going on" in their organizations. He feels many others don't have the necessary data.

If you are interested in getting more in-depth information on this project...write to The President's Management Reform Task Force, Room 425, Old Executive Office Building, Washington, D.C. 20503. Or call (202) 395-5017.

President Reagan's working hours...may be a little different from yours.  
He arrives at the Oval Office about 9 a.m. and works until 5 p.m. on Mondays, Tuesdays and Thursdays. Wednesday afternoon is set aside for horseback riding and he often leaves on Friday about 3 p.m. for a weekend at Camp David. He has also spent nearly 100 days at his ranch in California.

But there's a catch. Wherever he goes...he devotes long hours to reading briefing books and writing speeches. He is "obsessive about his work," according to an aide.

As for his managerial style...he is said to be "too nice" to confront subordinates who get out of line, unless absolutely necessary. Keeps a loose rein on his staff. Word is that there are likely to be some changes among White House staff and cabinet officers...after the election.